

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 03/10/03		Item Number: <u>A-3</u>	
AGENDA ITEM: Consideration of a Request by the Studio Court Homeowners Association to Annex Property Located at 3780 Lenawee Avenue from the City of Los Angeles to the City of Culver City.			
Contact Person/Dept.: Todd Tipton		Phone Number: (310) 253-5783	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Supervisor Yvonne Burke's Office; LAFCO, City of Los Angeles; Master Notification List (03/05/08).			
Department Approval: Sol Blumenfeld (02/28/08)		City Attorney Approval: Carol Schwab (by H. Baker) (03/04/08)	
Fiscal Impact Review: Jeff Muir (by N. Kimball) (03/05/08)		City Manager Approval: Jerry B. Fulwood (03/05/08)	

RECOMMENDATION:

Staff recommends the City Council (the "Council") reject a request by the Studio Court Homeowners Association (the "Association") to annex its property located at 3780 Lenawee Avenue from the City of Los Angeles to the City of Culver City.

BACKGROUND:

In July 2007, the Council received a request from the President of the Association, Ms. Cynthia Harris, to annex its property from the City of Los Angeles to the City of Culver City. The property is comprised of eight townhomes that are depicted in the attached graphic.

DISCUSSION:

The annexation of property is a complicated and time intensive effort. The annexation process involves the City of Culver City, the City of Los Angeles, the County of Los Angeles, and the Local Agency Formation Commission (LAFCO) which oversees annexations for the County of Los Angeles. The process includes the following steps:

- The City of Los Angeles considers the property owner's request for de-annexation. The process may proceed only if the City of Los Angeles agrees to the de-annexation.
- The Council adopts a resolution applying for the annexation for submittal to LAFCO.

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- The Council adopts a pre-zoning ordinance, establishing a zone for the area being annexed.
- The City of Culver City performs a California Environmental Quality Act review.
- Parcel Maps and legal descriptions are prepared for submittal to LAFCO as part of the application submittal process.
- Upon receipt of the above documents, LAFCO determines whether or not the annexation application is complete.

If LAFCO determines that the application is complete:

- All City of Los Angeles and Los Angeles County Agencies are notified (i.e. public safety, public works, recorder, etc.)
- The Los Angeles County Assessor determines the tax implications for the City of Culver City and Los Angeles.
- Upon receipt of the tax implications report prepared by the Los Angeles County Assessor, Los Angeles County negotiates a tax sharing agreement with the City of Culver City.
- The Council adopts the tax sharing agreement by resolution.
- The City of Los Angeles and Los Angeles County adopt a tax transfer resolution making the tax sharing agreement effective.
- A public hearing with LAFCO is held and the annexation is complete.

Depending on the responsiveness of each agency involved, the process is anticipated to take between 8-18 months to complete.

FISCAL ANALYSIS:

On average, residential properties are a net loss to the City's General Fund as the revenue generated from utility and property taxes (the main sources of revenue from residential units) is typically less than the cost to provide services to those properties (primarily public safety).

Currently, the City's annexation fee from the Planning Division is \$8,901, subject to the 4% technology fee, plus any fees associated with the environmental review process. This covers staffing costs associated with Planning only. The City Attorney's Office has estimated that it would not be unreasonable for them to spend 100-200 hours on the legal aspect of the proposed annexation.

If in-house staff were used, the current rate for a Deputy City Attorney in the City's adopted fee resolution is \$115 per hour. However, considering the current workload of the City Attorney's office, outside counsel may be needed. If outside counsel

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were to be used, the fee would likely be approximately \$200-250 per hour. The City may explore the possibility of recovering these costs from the applicant(s).

Additionally, there may be County, City of Los Angeles, and State Board of Equalization fees.

Based upon the potential short and long term costs to the City and the current financial realities facing the City (including deferred maintenance of existing infrastructure), staff does not recommend the City Council pursue annexation at this time.

ATTACHMENTS:

1. Request for annexation from Mrs. Cynthia Harris dated July 19, 2007.
2. Aerial photo of 3780 Lenawee Avenue.

MOTION:

That the City Council:

Reject a request by the Studio Court Homeowners Association to annex the property located at 3780 Lenawee Avenue from the City of Los Angeles to the City of Culver City.